

February 2, 2010

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FILED/ACCEPTED

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

EX PARTE OR LATE FILED

FEB - 3 2010

Federal Communications Commission Office of the Secretary

RE: Notice of Ex Parte Communication, GN Docket Nos. 09-191; WC Docket No. 07-52

Dear Secretary Dortch:

This reports on meeting held February 1, 2010, with Commissioner Mignon Clyburn and Rick Kaplan, Acting Chief of Staff for Commissioner Clyburn. Representing The Hispanic Institute at the meeting was Gus West, Board Chair for THI and XiNomara Velazquez Yehuda, Chief of Staff, THI.

Attached please find the following documents that were distributed:

- Denver Post Op-ed
- · THI Mobil Futures Paper
- Joint Statement Broadband Paper
- THI Neutrality Regulation Letter to FCC
- Group Letter to FCC
- HTTP and THI Roll Call Op-Ed
- THI Calling Card Study

We made these points regarding Network Neutrality:

- Commissioner Clyburn talked about her role and goals as FCC Commissioner. She reaffirmed her background as a civil rights advocate. She assured us that she hears the concerns civil rights groups and communities of color.
- Mr. Gus West discussed challenges facing the Latino community in education, health, and the economy.
 He noted that for Hispanics and minorities to make progress in these areas, technology and
 telecommunications must be part of the solution. Given the problems that minorities face, they inherently
 have the most at stake in the technology and telecommunications debate, and must have a seat at the
 policy table.

Sincerely,

XiNomara Velazquez Yehuda Chief of Staff, THI www.thehispanicinstitute.org

906 Pennsylvania Avenue S.E., Washington, District of Columbia, 20003

ANDREW BREITBART PRESENTS

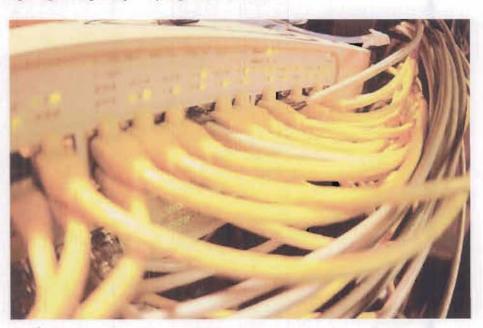
BIGGOVERNMENT



Minority and Civil Rights Groups Slam Net Neutrality

by Capitol Confidential

In a stunning new development that observers say could significantly impact the ongoing debate regarding net neutrality, Big Government has confirmed that sixteen minority and civil rights groups recently submitted a joint filing to the Federal Communications Commission (FCC) raising red flags regarding the policy's potential effects.



The filing, submitted on January 14, represents the collective views of the ASPIRA Association, the Black College Communications Association, the Hispanic Institute, the Hispanic Technology and Telecommunications Partnership, the Labor Council for Latin American Advancement, Latinos in Information Sciences and Technology Association, the Lawyers' Committee for Civil

Rights Under Law, the League of United Latin American Citizens, MANA, A National Latina Organization, the National Association of Black County Officials, the National Black Caucus of State Legislators, the National Conference of Black Mayors, the National Coalition on Black Civic Participation-Black Women's Roundtable, the National Organization of Black Elected Legislative Women, the National Puerto Rican Coalition, and the United States Hispanic Chamber of Commerce.

Telecommunications policy experts called the filing "historic," in view of the sheer number of civil rights organizations participating, but also hard-hitting. The comments, written by David Honig of the Minority Media and Telecommunications Council, state that "[T]his proceeding implicates one of the most important civil rights issues of our time."

The comments go on to note that broadband adoption among minorities remains sluggish and that as such, minorities stand to gain or lose a great deal depending on how events play out.

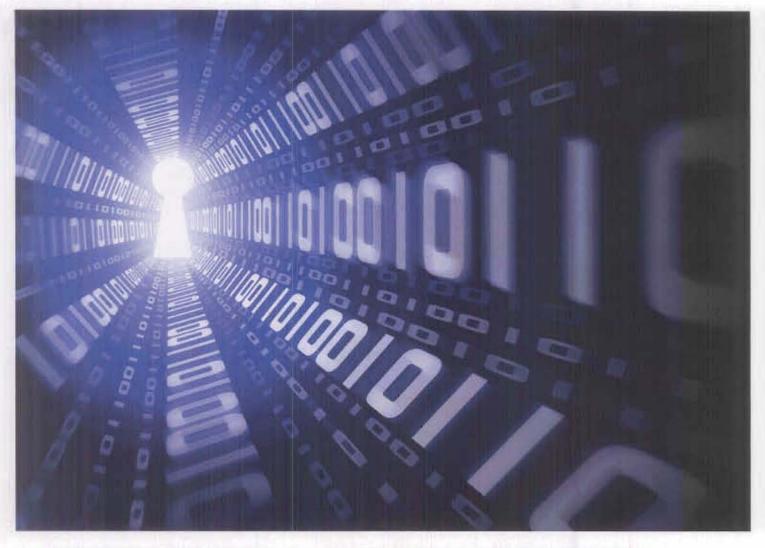
Net neutrality, the filing indicates, could be another example of a policy designed to be neutral, but which impacts those historically disadvantaged much more, and more adversely, than others within the population. Writes Honig, "...even apparently universal and neutral federal programs can widen existing disparities. As we now continue the transition into a digital age, the Commission should ensure that its efforts to promote a free and open Internet for all do not end up leaving minorities and other groups lacking equal access to broadband behind."

Some minority groups participating in the filing had previously expressed concern about the likely impact of net neutrality on their constituencies, and proponents of net neutrality have sought to portray the development as nothing new.

However, observers say the fact that so many groups are setting off the same alarm bells—and that fact is being publicized—could bring real pressure to bear upon the FCC at a critical time.

The FCC is set to issue its National Broadband Plan next month.

http://biggovernment.com/2010/01/25/minority-and-civil-rights-groups-slam-net-neutrality/



TOWARD ACCESS, ADOPTION AND INCLUSION: A CALL FOR DIGITAL EQUALITY AND BROADBAND OPPORTUNITY

A Joint Statement from

The National Asian Pacific American Caucus of State Legislators
The National Black Caucus of State Legislators
The National Hispanic Caucus of State Legislators
The National Caucus of Native American State Legislators









EXECUTIVE SUMMARY

The National Asian Pacific American Caucus of State Legislators, National Black Caucus of State Legislators, National Caucus of Native American State Legislators and National Hispanic Caucus of State Legislators issue this joint policy statement in recognition of the important role that broadband plays in all our lives. We firmly believe that ubiquitous broadband access, adoption and use stand to be great equalizers in our society. As such, we must ensure that Internet adoption and use via a broadband connection becomes engrained as a social, economic and cultural norm in our communities. We believe this will amplify our ability to eliminate poverty, increase educational opportunities, render quality healthcare more accessible and affordable, and yield new avenues for the provision of better public safety and provide tools that lead to a cleaner environment. For our organizations, and most significantly for the communities and people we represent, the current broadband status quo is unacceptable.

While our constituents all have unique needs, we recognize that absent digital equality and broadband opportunities, our communities – particularly those populated by low-income, non-English speaking, rural, tribal or otherwise underserved populations – will be unable to fully engage in the increasingly global, innovation economy. Because universal broadband access and adoption are paramount to the success of our communities and this country, this report, sets forth our top-tier, joint policy recommendations as prospective aids to federal lawmakers, regulatory bodies, and state and local elected officials, as we all endeavor to create and implement new opportunities for increased broadband adoption and digital inclusion.

In the pages that follow, we set forth principles of progress we believe will better enable us to:

- Identify the presence and ramifications of the digital divide within African American, Hispanic, Native American and Asian American/Pacific Islander communities;
- Ensure that broadband connectivity is available, accessible and affordable for every American, regardless of geographic or socio-economic situation;
- Incent broadband adoption and use by increasing its cultural value and social worth; and
- Foster investment in, and robust use of, high-speed broadband Internet services to increase job creation and economic opportunity.

We recognize the power of broadband, and we coalesce around our collective interests. For our communities and for our country, we must guarantee broadband access, adoption and inclusion to secure America's future.

BROADBAND IS THE NEW BEACON FOR EQUALITY & ECONOMIC OPPORTUNITY

Although the disparities that plague this nation will not disappear overnight, we believe that the focused pursuit of ubiquitous broadband access, adoption and use will help minimize the inequities that have blighted America's legacy for too long. Thus we seek affordable broadband for all, not as an end in itself, but as a way to enrich individual lives and to enrich our country. We seek broadband for all because it creates opportunities, breaks down barriers and promotes equality by opening new doors in areas of jobs, education, politics, and health care. Broadband can help reduce the many remnants of segregation that have historically hampered communities of color, and provide those same communities with better opportunities to seek the American dream based on their individual merit, ambition, and talents. We, therefore, must work collectively to achieve digital equality for all Americans, particularly those who have been historically marginalized or disenfranchised.

Broadband delivers economic opportunity and jobs. For individuals, broadband provides new employment opportunity through telework jobs that can be performed remotely, and it enables them to research prospective employment and connect to job opportunities posted online in any part of America. For entrepreneurs, connectivity enables them to reach customers, suppliers and partners from their offices or on the go; and for startups and small businesses, broadband puts them in touch with bankers and lenders to access the capital they need to launch their enterprises, to build and to grow. For communities, study after study has shown that connectivity means more and better jobs because more and more businesses set up shop only in locations from which they can reach the rest of the world.

Broadband builds community through social connectivity. From worldwide social networks like Facebook, to electronic bulletin boards established by local community centers and churches, broadband connectivity can bind us more closely and facilitate local, national and international dialogue for problem solving. At every level, it helps us break through both individual and communal isolation that can lead to despair and inertia. Indeed, one recent study concluded that the connections enabled by broadband could reduce clinical depression, especially among the elderly. With broadband, we can strengthen our communities and create greater social ties to our cultural roots.

Broadband facilitates political empowerment. With broadband every citizen can make his or her voice heard – directly by e-mail and blog to the elected officials, regulators and decision makers at every level of government. Broadband is the ultimate organizing tool, enabling community leaders and campaign teams to exchange real-time information, coordinate movements, and implement strategic action. Broadband helps us level the political playing field, partly offsetting the power of money with the swift and nimble movement made possible by instant communication. It also makes it possible for us to bear witness to historic political events by enabling us to flash digital photos to the world when there is something the world

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¹ Ford, George S. and Sherry, G, Internet Use and Depression Among the Elderly, Phoenix Center Policy Paper Series (Oct. 15, 2009) available at http://phoenix-center.org/DepressionOct152009.pdf (last viewed Nov. 23, 2009).

must see – like Wounded Knee, Selma, or Manzanar. Broadband is the ultimate democratizing tool.

Broadband solves problems. From education to healthcare, broadband solves problems. Thanks to broadband, students from the poorest inner city neighborhoods, isolated rural communities, or remote tribal lands can access the finest libraries and top teachers. Stay-athome moms and working parents alike can pursue career training and college degrees without living on campus. Senior citizens can continue to learn and access quality healthcare without leaving home. Healthcare providers can keep tabs on patients through remote monitoring, and also provide emergency diagnosis and consultation by viewing medical images and data relayed over the Internet from thousands of miles away.

At the national level, too, broadband can help us achieve pressing goals, including economic expansion, energy independence, environmental sustainability, public safety, and better healthcare. It can help close the gaps in education, economic prospects, and aspirations that threaten to leave too many in our communities permanently behind. With minority citizens soon to account for a majority of Americans, broadband's ubiquity and inclusive power can ensure that the nation embraces and lives the dream of first class citizenship for all.

Both in the near and long term, the leveraged use of broadband can help us promote greater socio-economic parity among the American citizenry. Full immersion in the broadband era, however, cannot and should not become the sole responsibility of any one province of government, nor should full responsibility for our broadband transition fall entirely on any single agency, company, political organization or public interest group. We must therefore work collectively, that we may wield broadband as a mighty tool of empowerment for *all* people. Together we can thrive. Together we move towards greater broadband access, adoption and inclusion.

FILLING THE GAPS: THE TRUTH BEHIND THE DIGITAL DIVIDE

Right now, in America, we face a persistent digital divide between those with broadband connectivity and those without that threatens the future sustainability of our communities and our country as a whole.

For some, the dividing line is geographic. Most of America has the infrastructure for broadband service. But in remote, sparsely populated parts of the United States, broadband has yet to be deployed to rural or tribal lands, either because of lack of feasibility or lack of service demand. For others, the dividing line is economic. The wires are visible from their windows, but the cost of service and computing devices is just too high for their budgets. The digital world is close enough to touch and yet too far away to experience. For others, the dividing line revolves around the lack of digital know-how and technical skills required to take full advantage of the opportunities presented by broadband.

When we add it all up, the dividing line often falls along the lines of race, ethnicity, language and tribal status. As policymakers, our caucuses jointly seek to remove these barriers so that all of the people in our communities can enjoy the full benefits of a digital society.

The path towards greater digital inclusion must begin with a focused study of current trends in broadband access, adoption and use. To date, the limited evidence that exists for measuring broadband activity within minority populations tends to indicate that our communities, particularly those comprised of low-income, non-English speaking, rural or tribal members, under-represent in areas of broadband adoption and use.

For some, service is simply unavailable. For others the value of such technology is not clear, or they lack sufficient digital literacy training and therefore it is not adopted or used. For still others, the costs of access — computing and other software devices, and monthly high-speed Internet service charges — render broadband usage too expensive.

There are a host of reasons why minority communities, on average, tend not to adopt and use broadband technologies to the same extent as their non-minority counterparts. The reality, however, is that we do not know nearly enough about many of these barriers to adoption. Thus the first step in creating new digital equality and broadband opportunities is to learn more about the problems of adoption we now face. The more we understand about the digital divide, the better equipped we will be to create greater opportunities for digital inclusion in our communities, and American society at large.

Though adoption trends vary widely across ethnic and racial lines, English proficiency, geographic location and income seem to play major roles in determining whether a person will adopt and use broadband. As noted by the Pew Internet & American Life Project, broadband adoption among African Americans has stagnated in the past two years, and the digital divide between Blacks and Whites has grown larger, not smaller. In 2009, only 46% of African Americans reported a home broadband connection, compared to 65% of Whites. The year before, 43% of African Americans had broadband at home, as did 57% of Whites; and in 2007, 40% of African Americans had broadband access in the home, in contrast to 48% of their White counterparts.

Granted, with broadband available in approximately 95% of the country, part of what these figures demonstrate is that only about two-thirds of the majority population with access to broadband actually uses it. Therefore access alone is not dispositive of broadband adoption and use. The more telling point, however, is that in the three years it took for White Americans

² Horrigan, John, *Home Broadband Adoption 2009*, Pew Internet & American Life Project (June 17, 2009) available at http://www.pewinternet.org/Reports/2009/10-Home-Broadband-Adoption-2009.aspx (last visited Nov. 23, 2009).

³ Id.

⁴ ld.

⁵ Federal Communications Commission, September Commission Meeting (Sept. 29, 2009) available at http://hraunfoss.fcc.gov/edocs-public/attachmatch/DOC-293742A1.pdf (last viewed Nov. 10, 2009).

to increase broadband adoption by seventeen percentage points, African American adoption only increased by six percentage points.⁶ Even if access by itself does not imply adoption or use, we can assume that those who do not adopt the broadband technologies available to them will be further disadvantaged by their inability to reap the benefits of using these transformative technologies.

Data for broadband adoption among other ethnic groups is even more confounding. For example, Pew recently conducted a survey to ascertain broadband adoption in Latino communities. Although the data is incomplete, it suggests a secondary digital divide within the Latino community that falls along linguistic lines. Notably, according to Pew, English-speaking Latinos subscribe to broadband service at a higher rate than White Americans, with 68% of those surveyed having broadband access at home. Among Latinos whose main language is Spanish, however, broadband connectivity trails adoption rates for African Americans and White Americans. Just 32% of Spanish-speaking Latinos used the Internet in any form in 2006, compared to 78% who were English-dominant and 76% who were bilingual. A study by the Tomas Rivera Policy Institute showed a similar 55-20% split between English-dominant and Spanish-dominant Latinos in 2005.

The broadband adoption rates for Native Americans and certain Asian American populations appear grimmer still. Hard data is not available, but the National Congress of American Indians estimates that just 5-8% of Native Americans living on tribal lands are enjoying broadband service in their homes. And according to the California Emerging Technology Fund, broadband adoption and access among the Hmong and Filipino populations are much lower than in any other segment of Asian American society. Likewise, anecdotal evidence suggests that Asian-Pacific immigrants from countries that are less advanced technologically, or who subsist on lower incomes, may not adopt broadband in substantial numbers.

In addition to the impact that ethnicity or socio-cultural understandings may have on broadband adoption, members of minority communities who live in rural America or belong to lower-income households are even less likely to adopt and use broadband. As of spring 2009, fewer than half of all rural Americans (46%) used broadband at home, compared to the 67% of urban and suburban households that had adopted the service. ¹² The gap has changed little

⁶ Horrigan, John, Home Broadband Adoption, 2009.

⁷ Id.

Fox, Susannah and Livingston, Gretchen, Latinos Online, Pew Internet & American Life Project (Mar. 14, 2007) available at http://www.pewinternet.org/Reports/2007/Latinos-Online.aspx (last viewed Nov. 23, 2009).

⁹ Macias, Elsa E. and Temkin, Einat, *Trends and Impact of Broadband in the Latino Community*, Tomas Rivera Policy Institute (Oct. 2005) available at http://www.trpi.org/PDFs/broadband.pdf (last viewed Nov. 23, 2009).

National Congress of American Indians, National Broadband Plan Priorities and Universal Service Fund Tribal Broadband Program Needs, Resolution PSP-09-084c (Sept. 22, 2009) available at http://ncai.org/fileadmin/resolutions/PSP-09-084c_final.pdf (last viewed Nov. 23, 2009).

¹¹ Lloyd, Mark, *Understanding Braadband Needs in a Diverse America*, Blogband.Gov (Nov. 5, 2009) available at http://blog.broadband.gov/blog/index.jsp?authorld=14654 (last viewed Thursday, Nov. 19, 2009).

¹² Copps, Michael J., *Bringing Broadband to Rural America*, Federal Communications Commission (May 22, 2009) available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-291012A1.pdf (last viewed Nov. 19, 2009).

over time as adoption rates have climbed at about the same pace in both rural and urban communities in recent years.

Moreover, the digital divide is greatly impacted by income and economic achievement. Just 35% of Americans with annual incomes of less than \$20,000 a year reported home broadband service in spring 2009. In contrast, 80% of Americans with incomes of \$50,000-75,000 a year had home broadband, as did 88% of those earning more than \$100,000 annually.

Minority populations, particularly non-English speakers living on rural or tribal lands and making less than \$50,000 a year, are at great risk of being left further behind as the rest of our nation transitions towards an increasingly broadband-based digital economy. Therefore, the task of ascertaining the realities and rationale for broadband adoption among America's diverse citizenry is an essential predicate to our ability to create greater broadband opportunities. We therefore recommend that federal officials take these steps to promote universal broadband adoption:

- 1. Fund and conduct substantive, quantitative and qualitative research focused specifically on broadband connectivity, adoption and use among people of color, particularly those in unserved and underserved communities.
- 2. Develop analytical tool sets that enable us to better reflect America's diversity, i.e. using larger survey sample sizes, multi-language polls, an increase in face-to-face interviews, and other methods of capturing the essence of the broadband adoption patterns of America's growing minority populations.

CONNECTIVITY: WHERE AVAILABILITY + AFFORDABILITY = ACCESSIBILITY

If our goal is to achieve 100% broadband access and ubiquitous broadband adoption and use, then the most recent data suggests that much work remains. According to the Pew Internet & American Life Project, which provides the most closely watched data about broadband adoption and use, almost two-thirds of Americans now enjoy wired broadband service in their homes. That level of participation for a relatively new technology is impressive by historical standards, but is well short of our national goal of universal adoption. Perhaps most important, the data shows that the main reason we are falling short is unwillingness or inability of consumers to subscribe to broadband even when they have the opportunity.

It is not enough to make broadband available to a neighborhood. We also must make sure that broadband connections are affordable for the people who live there.

We do not dismiss the deployment challenge for communities, including much of America's rural and tribal lands. After all, a community cut off from broadband access can expect an unending downward spiral of economic decay. Right now, roughly 5% of Americans have no opportunity to enjoy wired broadband service. We simply *must* make broadband available

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¹³ Horrigan, John, Home Broadband Adoption, 2009.

where these citizens live, and we recommend several policy actions to address these intolerable gaps in access to broadband technology.

But reaching the goal of affordable broadband for all requires an aggressive response to the adoption conundrum. More than one-third of all Americans who could enjoy broadband at home have decided not to subscribe.¹⁴ Connecting these citizens to broadband is essential, and one of the keys is affordability. Even as we consider ways to advance deployment, we also must promote policies that enable affordable price offerings for consumers and oppose policies that could drive costs higher.

In addition to affordability, the solutions we seek must include a range of actions such as enhanced skills training for those unfamiliar with computers and other digital technology, and public-private partnerships such as those organized by One Economy's robust digital adoption programs and the Connected Nation initiative "No Child Left Offline," to deliver technology to the unserved. We should also encourage the expansion of the existing Lifeline and Link-Up programs that deliver broadband to those who cannot afford it on their own, and enhanced e-government services to demonstrate the value of broadband, culturally relevant content to encourage non-adopters to sign on for service, and community computer centers as an onramp to broadband for those who cannot afford it at home. Whatever the underlying program or policy may be, the goal is clear — we must achieve full connectivity for all Americans.

The mandate for a National Broadband Plan, coupled with the passage of the American Recovery and Reinvestment Act (ARRA), rightly elevated broadband on the national agenda. ARRA sets aside \$7.2 billion to drive broadband deployment and adoption through the National Telecommunication and Information Administration's Broadband Technology Opportunity Program and to expand the role of broadband in rural America through the USDA's Rural Utilities Service Broadband Infrastructure Program.

The majority of ARRA funding is allocated towards broadband deployment. And while this action marks a substantial investment in broadband by the federal government, \$4.7 billion represents a fraction of the \$350 billion the Federal Communications Commission (FCC) estimates it will take to provide all Americans will equal access to high-speed broadband Internet services. To date, the United States has relied on the private sector to make the investments in broadband infrastructure and to develop the major software applications that have driven our country's broadband growth over the years. Going forward, we need to ascertain whether government — at federal, state or local levels — is positioned to make the \$350 billion investment that is required to make broadband available to all Americans. We must also foster the type of investment that leads to the creation of new jobs and economic

¹⁴ Horrigan, John, *Home Broadband Adoption*, 2009.

¹⁵ Red Orbit, FCC Plan to Extend Braadband Cames With Hefty Price Tag (Sept. 30, 2009) available at http://www.redorbit.com/news/technology/1761755/fcc plan to expand broadband comes with hefty price tag/index.html (last visited Nov. 10, 2009).

opportunities in our communities by adopting policies that encourage broadband deployment and economic development.

If the majority of funding for broadband deployment will come from private investment, then the companion role for government participation is to dedicate far more resources toward increasing broadband adoption and use in areas where service is currently available. With only about 65% of Americans adopting broadband services where they are available, the greater issue beyond broadband deployment is broadband adoption. Therefore, the federal government can play a tremendous role in increasing productive use of available broadband services by funding and supporting broadband awareness campaigns, digital literacy and online training programs, and an increased use of online government services.

We understand the connectivity issue is a complex one that requires simultaneous action on multiple fronts. Likewise, we are aware that even beyond availability, affordability is a key determinant of broadband access, adoption and use, particularly as it pertains to members of minority, low-income and underserved populations.

The Pew Internet & American Life Project reports that most consumers cite one of four fundamental reasons for not subscribing to broadband service – relevance, price, availability and usability in that order. Half of all people surveyed cite reasons of relevance as the primary justification for not going online. Others point to "usability" as a barrier because they lack the technical skills or comfort level to effectively use computer technology. 19

While lack of relevance is a major factor, Pew found that price and availability are also prominent factors affecting the likelihood of broadband adoption among African Americans and English-speaking Latinos. ²⁰ Even as the costs of broadband service and computer equipment decline, large numbers of minority citizens — who tend to earn less than their White counterparts — simply cannot afford to take advantage of the broadband services presently available to them.

An analysis of Pew data by the Joint Center for Political and Economic Studies concluded that "family income, when coupled with race and ethnicity continues to be a major barrier to broadband adoption." According to the Joint Center, of the African Americans who do not have Internet access, almost half (49%) had family incomes below \$20,000 annually. By comparison, 33% of Whites and 19% of English-speaking Latinos without broadband Internet

¹⁶ Horrigan, John, *Home Broadband Adoption*, 2009.

¹⁷ Id.

¹⁸ ld.

¹⁹ ld.

²⁰ Id

²¹ Joint Center for Political & Economic Studies in conjunction with the National Black Elected Officials, *Broadbond Imperatives for African Americans: Policy Recommendations to Increase Digital Adoption for Minorities and their Communities* (Sept. 21, 2009) available at www.broadbandimperatives.org (last visited Nov. 15, 2009).

report annual incomes of less than \$20,000.²² When asked specifically *why* they do not have broadband at home, two-thirds of African Americans cited cost.²³ Of these, 53% said they would get broadband if the cost came down and 14% said they would like to have it if someone else paid for it.²⁴

The price of broadband itself is not the only cost barrier to achieving affordable broadband solutions. Significant numbers of minority citizens do not own computers, in large part because of costs. Pew reports that African Americans were far less likely than White Americans to own a desktop computer. About half of all African Americans surveyed owned a desktop computer in spring 2009, compared to two-thirds of Whites. While further evidence is still in development, we suspect similar trends persist among other minority groups, particularly for people who are members of low-income families.

Of particular note is the impact that a lack of income can have on future generations, unable to afford the tools of innovation and thus barred from participating in America's increasingly digital society. A 2005 study by the Children's Partnership found that children from families with incomes that exceeded \$75,000 a year were twice as likely to have access to a home computer when compared to very low-income families. Because people of color, on average, earn substantially less than their White counterparts, this income effect is especially burdensome for minority children. Anecdotal evidence suggests that these disparities hold true for Spanish-dominant Latinos and Native Americans as well.

The question of cost takes many forms in addressing the broadband disparities and lack of adoption we now face: how do we make computing devices more affordable? How can we reduce, contain and subsidize the costs of broadband services? What must we do to encourage broadband build-out, and consumer-friendly network maintenance that makes possible and enhances the online experience for all Americans?

One potential answer to these questions lies in our readiness to promote broadband access across non-conventional computing devices. Studies have shown that people of color are embracing wireless technologies faster than White Americans, and that they are increasingly making use of wireless broadband Internet access. The Hispanic Institute reports that 58% of African Americans and 53% of Latinos use mobile broadband, compared to 33% of White

²² Joint Center, Broadband Imperatives, 2009.

²³ Id.

 $^{^{24}}$ $_{\rm Id}$

²⁵ Horrigan, John, *Hame Broadband Adoption*, 2009.

²⁶ Pew Internet & American Life Project, Wireless Internet Use, (July 2009) available at

http://www.pewinternet.org/Reports/2009/12-Wireless-Internet-Use.aspx (last visited Oct. 26, 2009).

²⁷Lazarus, Wendy and Wainer, Andrew, *Measuring Digital Opportunity for America's Children: Where We Stand and Where We Go From Here*, The Children's Partnership, available at

http://www.childrenspartnership.org/AM/Template.cfm?Section=Publications&Template=/CM/ContentDisplay.cfm&ContentFileID=1089 (last viewed Nov. 23, 2009).

Americans.²⁸ Likewise, according to Pew, one in four African Americans who do not have broadband at home have accessed the Internet with a cell phone or a smart phone.²⁹ According to Pew, "to an extent notably greater than that for Whites, wireless access for African Americans serves as a substitute for a missing on ramp to the Internet – the home broadband connection."³⁰

Comfort with cellular telephones, which have become nearly ubiquitous among all groups of Americans in recent years, appears to open the door to wireless Internet access as a logical and, in many cases, more affordable option for broadband. Latinos, many of them recent immigrants from countries where wireless phones are more common than wireline connections, are generally setting the pace in cell phone use. They consume more minutes and have a higher percentage of cell phone ownership than any other group.³¹

Although more research is needed on attitudes toward wireless and who uses it, mobile connectivity also may fit the lifestyle of some groups better than others. For example, younger Americans and recent immigrants may change their place of residence more frequently than other groups. For them, committing to home-based broadband may, therefore, be less appealing than wireless. Immigrants represent a growing element of the minority population. According to the Hispanic Institute,

[M]any immigrants arrive in the United States with a propensity for mobile use. Transition to smartphones and other similar devices seems an easy step, which may partly explain why immigrants are more likely to have cell phones even if they have relatively lower incomes than the average U.S. resident. Additionally, immigrants tend to be more mobile and have greater need for wireless services. 32

Likewise, because it is generally less costly to deploy, especially across large geographic regions, wireless broadband also may help reduce the broadband gaps suffered by people living in rural and tribal lands. Wireless broadband seems to be an area for increasing access to and adoption of high-speed broadband Internet services, particularly for communities of color, and we must develop new policies with this portable technology in mind.

Beyond the creation of affordable "on-ramps" to the Internet, we must likewise consider ways to better manage the affordability of broadband services. Our policies must enable us to reduce, contain or subsidize the costs of broadband services so that even the poorest among us has an opportunity to access them.

²⁸ Hispanic Institute and Mobile Future, *Hispanic Broadband Access: Making the Most of Mobile, Connected Future*, (Sept. 15, 2009) available at http://thehispanicinstitute.net/files/u2/Hispanics and http://thehispanicinstitute.net/files/u2/Hispanics and https://thehispanicinstitute.net/files/u2/Hispanics and https://the

²⁹ Pew, Wireless Internet Use, 2009.

³⁰ ld.

³¹ Hispanic Institute, Hispanic Broadband Access; Making the Most of Mobile, Connected Future, 2009.

³² ld.

As noted by the Broadband Opportunity Coalition (BBOC) in a recent filing to the FCC, we must also guard against any policies that would have the unintended consequences of furthering America's digital divide.³³ Like the BBOC, we urge caution against policies that could disproportionately shift the costs of broadband services to the poor.³⁴ Before any new policy regime is implemented, we must fully understand its potential socio-economic implications.

We also understand that as we attempt to bring more Americans online, we should be mindful that we do not over-burden low-volume broadband users with the costs of maintaining services for high-volume users. Our hope is that one day all Americans will use broadband for some of its highest purposes, including telemedicine, telework, economic empowerment, and distance learning. We are well aware, however, that new users may not rapidly consume broadband services as such. It is for these low-volume users, particularly those entering broadband space for the first time, that we must ensure that the costs of broadband do not overwhelm its social value.

Even where service is available, if adopting broadband is too expensive, people will not use it. Therefore, pricing structures should be flexibly designed or subsidized to ensure available service that fits almost every household budget. Our charge is to increase digital equality and opportunity by making broadband connectivity a reality for all Americans, and to impart digital citizenship to all who call this country home. We, therefore, recommend that policymakers work with communities and private enterprise to:

- 1. Complete the deployment of broadband networks to unserved areas, including rural communities and Native American tribal lands, and link the networks to public anchor institutions and community-based organizations as supplements to home-based service.
- 2. Address affordability issues through initiatives such as federal general revenue funding subsidies for computing devices and broadband Internet service, and public-private partnerships that can be leveraged to create greater access and adoption opportunities, or other policies that overcome price barriers.
- 3. Implement grants for technology skills training and the development of community broadband centers for those with lower incomes.
- 4. Promote continued expansion of wireless broadband service as an alternative on-ramp to the Internet.

The Broadband Opportunity Coalition consists of the National Urban League, the National Council on La Raza, the Asian American Justice Center, the League of United Latin American Citizens, and the National Association for the Advancement of colored people. See e.g. BBOC Letter to FCC available at http://www.speedmatters.org/blog/archive/broadband-opportunity-coalition-letter-calls-for-balanced-regulation/ (last viewed Nov. 19, 2009).

³⁴ See National Black Caucus of State Legislators, Resolution to Encourage the Deployment of Broodband Networks Without Net Neutrality (2007) available at http://nbcslonline.org/resolutions07.pdf (last viewed Nov. 19, 2009); see also National Hispanic Caucus of State Legislators, National Hispanic Coucus of State Legislators Calls on Congress and the FCC to Droft Legislation and Regulation to Encourage the Ropid Deployment of Broodband Networks without Net Neutrolity Amendments (2006) available at http://www.nhcsl.org/policysection4-2006.php (last viewed Nov. 19, 2009).

- 5. Modify the Universal Service Fund to focus on broadband connectivity for low-income households and unserved communities.
- Engage in rigorous and thorough analysis and fact-finding before cautiously implementing policies that could yield the unintended consequence of increasing the digital divide.

GIVING CULTURE CONTEXT: MAKING BROADBAND RELEVANT TO SPUR ADOPTION

Beyond accessibility issues like availability and price, relevance plays a substantial role in determining whether a person will adopt and use broadband services that may be readily at their disposal. For communities of color, access to culturally relevant content is particularly vital. It is through this content that we can better teach our communities the benefits of broadband and more readily engage a new generation of broadband users.

Today, when most people think about broadband they think of high-speed Internet access that enables them to consume high-volume files, like music and movies for their entertainment. However, these uses, while exciting, do not represent the full spectrum of possibility that broadband adoption brings. We have a profound new opportunity to use broadband-enabled software and technologies as engines of economic progress and prosperity. By incorporating broadband solutions into our daily lives, we can reduce the disparate impact that years of slavery, segregation, oppression and discrimination have had on our communities.

Broadband truly can be the great equalizer, and the time is now to create a new cultural awareness about the possibilities of digital inclusion for minority communities. The primary issues facing the people we serve and represent revolve around notions of fair play and equality with regard to education, economic opportunity, and the provision of healthcare and public safety services. By tying these cultural realities to broadband capabilities, we will be able to ensure that communities of color can play an even more active role in modern society.

Broadband solutions can be used to address an array of issues. Where we lack jobs or the skills to acquire well-paying positions, broadband can enable us to identify, train and employ a new cadre of American workers, skilled in using the technologies of today to increase their productivity and efficiency. We can use broadband to bring about the emergence of a new generation of entrepreneurs, well versed in the use of broadband-enabled services that better facilitate their ability to run global operations out of the comfort of their homes. We can use broadband to better educate children and parents by engaging in new distance learning and online education programs. Through the use of broadband-enabled telemedicine, we can better address the endemic health problems that disproportionately affect communities of color.

As elected officials daily charged with the task of securing the welfare of the American citizenry, we must be actively engaged in a campaign to educate our people, and apprise them of opportunities for broadband empowerment. We can play an integral role in changing habits of

the mind and painting the picture of what a better, broadband-enabled America looks like for all people, regardless of their race, ethnicity, language or tribal status.

We must, therefore, lead the charge in making broadband relevant for our communities. Broadband can be a universal technology platform, so we must demonstrate the multitude of ways that it can be used to enhance the lives of the people we represent. As we lead, we should lead by example, first by demonstrating our understanding and use of broadband technologies. Beyond promoting broadband educational and awareness campaigns, however, we can demonstrate the power of broadband by making more of our government-sponsored services available online.

In addition to making their services more accessible via the Internet, our state governments can also be a primary provider of online training and digital literacy initiatives to ensure that all constituents have the opportunity to access and benefit from the productive use of broadband-enabled services. For those who cannot readily access a broadband connection in their homes, we as state legislators must ensure that state government services are available via mobile devices and at public computing centers. We must likewise encourage broadband training initiatives at schools, libraries, and public computing centers so that no person interested in accessing our governments' services online would be prohibited from doing so.

Our work must be two-fold: to expose our constituents to new broadband possibilities, and to encourage broadband literacy and awareness by those who have yet to adopt the technology for themselves. To further our efforts at giving broadband cultural context, thereby making it more relevant to the communities we represent, we recommend that all governmental units should do their part to:

- 1. Increase the proliferation of e-government and other online services that enhance the value of broadband connectivity for every citizen.
- 2. Improve opportunities for digital literacy training, and support the creation of culturally relevant and other valued online content.
- 3. Develop digital training programs that teach people how to create digital content and applications and use a variety of e-enterprise and online education tools.

IF YOU BUILD IT, THEY WILL COME—CREATING SUSTAINABLE BROADBAND OPPORTUNITIES

The greatest broadband benefit we can impart to our communities and to the country is the promise of new economic opportunities, in the form of job creation, workforce sustainability and skills training. If current trends persist, broadband will continue to remain an engine of economic opportunity for this country.

According to a recent study issued by the U.S. Department of Commerce's Bureau of Economic Analysis, "the converging broadband sectors of telecom, media and IT [information technology] lead U.S. GDP growth, adding nearly \$900 billion annually and expanding at a rate that is two to five times faster than the overall U.S. economy. IT-related sectors will remain the fastest-

growing areas of our economy over the next 10 years." Likewise, nearly half of all jobs created in 2008 were in the broadband and IT sectors. 36

Considering that workforce development and stabilization is presently among our top national priorities, an increased reliance on broadband-enabled services creates a win-win for our economy. Sustainable broadband adoption activities will continue to fuel economic growth in the years to come, and it will create new job opportunities for the American citizenry. As we increase the use and demand for broadband services, we will likewise increase the positive economic impact that the converging broadband sectors can have on our overall economy.

According to the U. S. Census Bureau's 1997 Survey of Minority-Owned Business Enterprises, the number of minority-owned businesses (Black, Hispanic, Asian, Native Hawaiian and Other Pacific Islander, and American Indian and Alaska Native) grew more than four times as fast as American firms overall from 1992 to 1997.³⁷ Minority-owned firms grew by 30 percent, compared to seven percent increase for all U.S. firms.³⁸ According to the U. S. Census Bureau's 2002 Survey of Minority-Owned Business Enterprises, from 1997 to 2002: Asian-owned businesses grew by 24 percent; Black-owned business grew by 45 percent; Hispanic-owned businesses grew by 31 percent; and Native American-owned businesses grew by 84 percent.³⁹ This dynamic growth in minority-owned businesses signals just how important it is to bring broadband access to this critical business sector.

To support our national prosperity, we need to leverage broadband as a vibrant catalyst for American economic growth, particularly in minority communities. We must model our policies on the assumption that we are approaching an increasingly broadband-based economy. As such, we must strike a delicate balance between addressing our policy needs and creating opportunities for enhanced investment in and use of broadband technologies to further spur economic growth and productivity. We, therefore, recommend that policymakers:

1. Evaluate the current regulatory regime and identify the policies that have been successfully proven to stimulate private investment and innovation in broadband. For the policies that work, engage new discussions around creating new policies that could replicate similar results of success, and for policies that do not work, determine ways to improve upon or discard them.

³⁵ USTelecom, Analysis of the U.S. Bureau of Economic Analysis Broadband and Telecommunications GDP Projections available at http://www.ustelecom.org/Learn/TelecomStatistics.html (last visited Nov. 19, 2009).

³⁶ Eisenach, Jeffrey, *The Telecom Sectar and the Economy: How U.S. Braadband Policies Are Working for America*, (Sept. 2009) http://www.empiris.com/docs/Telecom%20and%20the%20Economy%20September%202008.pdf (last visited Nov. 23, 2009)

³⁷ U.S. Census Bureau, 1997 Economic Census Minority- and Women-Owned Businesses United States available at http://www.census.gov/epcd/mwb97/us/us.html (last viewed Nov. 23, 2009).

³⁹ U.S. Census Bureau, 2002 Ecanamic Census Minority-and Wamen-Owned Businesses United States available at http://www.census.gov/econ/sbo/#minority (last viewed Nov. 23, 2009).

2. Develop a system of checks and balances that would ensure that any regulatory regime encourages, rather than dissuades, private investment in broadband deployment and innovation. Ensure that any such policies likewise protect privacy, online safety and the reliable delivery of valued online content.

CALL TO ACTION: MOVING TOWARD INCREASED ACCESS, ADOPTION AND INCLUSION

Throughout history, Americans of every race, ethnicity, geographic location, and economic situation, and from every walk of life have joined arms in the quest for equality. We have fought to achieve equality before the law, to ensure that every American has an equal right to a quality education, competitive job opportunities, basic human respect, and to speak through the power of the ballot.

Today, in the 21st Century, our common quest continues as we pursue greater digital equality and broadband opportunities for the communities we represent. On behalf of our multiple constituents, for people of color across America, and for every citizen, we seek accessible, affordable, universal broadband adoption and use for every man, woman and child in America.

With broadband, all people can have equal access to the information technology and resources that will be so crucial to shaping our lives in the decades to come. We cannot guarantee that all will have the same success, but we must guarantee that everybody is granted the same access and opportunity that broadband can make possible.

The task ahead is too great, and the stakes too high to risk failure over divisive politics or indecision. We must act now, in one accord, mindful of the many things we have in common, and not distracted by instances where our views diverge.

Together, we can – and we must – move towards greater broadband access, adoption and inclusion for all Americans, and particularly for members of minority, low-income, non-English speaking, and rural or tribal communities. Digital equality is looming on the horizon. Creating broadband opportunities must be our rallying cry as we enter this next frontier of American life.



Aguilera & West: Broadband for All Should Be Priority No. 1 in Net Neutrality Debate

By Sylvia Aguilera and Gus West Special to Roll Call

Worrying about net neutrality when substantial numbers of Americans don't yet have broadband service is like telling a starving man to eat organic. It's not necessarily wrong, but it seems beside the point. When it comes to Internet policy, we need to put first things first, which means making sure that every American has the opportunity to enjoy affordable broadband service. Thus, worrying about net regulation issues that may actually undermine the goal of universal access seems not only premature, but also a bit irrelevant.

Increasingly, if you want to communicate with your government, get service from a business, reach out to a teacher about your child, apply for a job or tell your Congressman what you think, the best way to do it is online. For those who are connected, broadband is an unprecedented source of empowerment that opens the door to better education, better jobs and better health care. Almost every television and radio commercial and nearly every political pitch these days seems to end with an Internet address. Those who aren't connected are getting the sense that they are being left behind—again.

That is why Congress wisely identified affordable broadband for every American as a key goal of last year's economic stimulus measure and directed the Federal Communications Commission to design a strategy for achieving it. So we are cautiously excited by FCC Chairman Julius Genachowski's pledge that the upcoming plan, due out in March, will be bold and proactive.

Our caution stems from some very real concerns. We believe that the FCC's ongoing net neutrality initiative may get in the way of our broadband goal. For example, possible restrictions on network providers' ability to offer customized services to content providers, such as multiplayer games, video providers or search engines like Google and Bing, will also limit their ability to invest funds in enhanced network infrastructure.

The FCC's broadband task force has estimated that it would cost up to \$350 billion to deliver fiber-based broadband to every American home. Even a less robust network would require tens or hundreds of billions in new funding. If new network regulation limits business options for Internet service providers, the funding needed to build networks may have to come from higher consumer prices — a troubling prospect for minorities, low-income Americans, people with disabilities, the multilingual and rural Americans who are currently on the wrong side of the digital divide.

Hard data on some of these groups is difficult to come by, a problem in and of itself. We know, for instance, that African-Americans and individuals with low incomes are far less likely to enjoy high-speed Internet service than white Americans or those with higher incomes. The Pew Research Center's Internet & American Life Project reports that just 46 percent of African-Americans have broadband service at home (compared with 65 percent of white Americans). The income gaps are larger still — 88 percent of those with \$100,000 incomes have broadband compared with 35 percent of those earning less than \$20,000 a year. Though the data is sparse, firsthand experience tells us that Native Americans, citizens with disabilities and Latinos who speak Spanish as their first language also run well behind in broadband access and adoption.

As a guide to policy, we need to know why some groups of Americans are underrepresented in the broadband world and how net neutrality rules would affect their chances of getting online. We agree with the concept of an open Internet where each individual, not government or private companies, decides what Web sites we can visit and what online services we can use. But our top priority is broadband for every citizen. That is why the Hispanic Institute and the Hispanic Technology and Telecommunications Partnership, along with 21 other groups, signed a letter last October, asking the FCC for a careful study of the effect of net neutrality on unserved and underserved Americans. To our disappointment, no such analysis has taken place. That is why we our renewing our call.

Before going forward with network regulation, the FCC should study the implications for America's larger broadband goals and the digital divide. Before making new policy, we must take off the blinders and determine whether new rules might delay broadband even longer for the have-nots.

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Like organic food, net neutrality may have important virtues. But just as we need to feed the hungry before we redesign their diet, we should first deliver broadband before imposing new government controls with unknown consequences.

Sylvia Aguilera is executive director of the Hispanic Technology and Telecommunications Partnership, a coalition of 20 national and regional U.S. Hispanic organizations that works to increase awareness of the effect of technology and telecommunications policy on the U.S. Hispanic community. Gus West is chairman of the *Hispanic Institute*, a nonprofit organization dedicated to providing an effective educational forum for an informed and empowered Hispanic America.



THI AND UNIVERSAL BROADBAND

THI in headline, about broadband:

http://www.multichannel.com/article/445162-

Hispanic Institute Urges Universal Broadband Access.php

THI Mention in Peter Breitbart's site

http://biggovernment.com/2010/01/25/minority-and-civil-rights-groups-slam-net-neutrality/

Statement by Gus West Board Chairman of The Hispanic Institute to

FCC National Broadband Panel: Lessons from Local Officials Representing Underserved Communities

On behalf of the Board of Directors of the Hispanic Institute, I would like to thank the Federal Communications Commission for inviting us to be a part of today's panel. I would like to read from a preface of a joint statement that was issued this past weekend by several of the largest caucuses of state legislators. The Statement was co-authored by The Hispanic Institute and was issued during The National Black Caucus of State legislators meeting in Fort Lauderdale, Florida.

The National Asian Pacific American Caucus of State Legislators, National Black Caucus of State Legislators, National Caucus of Native American State Legislators, and National Hispanic Caucus of State Legislators issue this joint policy statement in recognition of the important role that broadband plays in all our lives. We firmly believe that ubiquitous broadband access, adoption and use stand to be great equalizers in our society. As such we must ensure that Internet adoption and use via a broadband connection becomes engrained as a socio-cultural norm in our communities. We believe this will amplify our ability to improve economic outcomes, increase educational opportunities, render quality healthcare both more accessible and affordable, and yield new avenues for the provision of better public safety and provide tools that lead to a cleaner environment. For our organizations and, most significantly, for the communities and people we represent, the broadband status quo is unacceptable.

While our constituents all have unique needs, we recognize that absent digital equality and broadband opportunities, our communities – particularly those populated by low-income, non-English speaking, rural, tribal or otherwise underserved populations – will be unable to fully engage in the increasingly global, innovation economy. Because universal broadband access and adoption are paramount to the success of our communities and this country, *Towards Access, Adoption & Inclusion: A Call for Digital Equality and Broadband Opportunity*, sets forth our top-tier, mutually agreed upon policy recommendations as prospective aids to federal lawmakers, regulatory bodies, and state and local elected officials, as we all endeavor to create and implement new opportunities for increased broadband adoption and digital inclusion.

We set forth principles of progress we believe will better enable us to:

- Identify the presence and ramifications of the digital divide within African American, Hispanic,
 Native American and Asian American/Pacific Islander communities;
- Ensure that broadband connectivity is available, accessible and affordable for every American, regardless of geographic or socio-economic situation;
- Incent broadband adoption and use by increasing its cultural value and social worth; and
- Foster investment in, and robust use of, high-speed broadband internet services to increase job creation and economic opportunity.

We realize the power of broadband, and we coalesce around our collective interests. For our communities and for our country, we must guarantee broadband access, adoption and inclusion to secure America's future. (The full statement can be accessed on The Hispanic Institute's website www.thehispanicinstitute.org)



January 13, 2010

The Hon. Julius Genachowski, Chairman Federal Communications Commission 445 12th Street, NW Washington, DC 20554

Re: Preserving the Open Internet Broadband Industry Practices

GN DocketNo.09-191 WC Docket No.07-52

Dear Sir:

We are writing to express our deep concern that the Federal Communications Commission – in its efforts to fulfill President Obama's stated goal of making broadband Internet service universal – has unwisely embraced the seductive, but questionable, concept known as Net Neutrality. Its name notwithstanding, Net Neutrality is anything but neutral, and has the potential for limiting broadband access for Hispanics and other minority groups, rather than expanding it. Perhaps a more descriptive term is *Neutrality Regulation*.

Neutrality Regulation would impose restrictions on how broadband providers conduct their businesses in an attempt to standardize offerings, ostensibly to level costs and widen access to consumers. However, given the way the Internet has developed in today's highly competitive marketplace, it seems more likely that the result of such heavy-handed regulation would be higher business costs that service providers would undoubtedly pass along to consumers. There would also likely be limits on the breadth and depth of services offered.

Instead we believe broadband providers should be free to manage their network services within guidelines established to protect minorities and low-wage earning groups from discrimination by access to or by availability of products.

We agree with the essence of a recently published joint letter from Verizon and Google that said in part: "Broadband network providers should have the flexibility to manage their networks ... so long as they do it reasonably, consistent with their customers' preferences, and don't

unreasonably discriminate in ways that either harm users or are anti-competitive. They should also be free to offer managed network services, such as IP television."

The critical nature of this situation was recently underscored by FCC Commissioner Mignon Clyburn, who said "we are rapidly becoming a world in which the Internet will be the only way that people can accomplish their most essential tasks and apply for critical services."

And although we acknowledge the remarkable increases in *wireless* broadband use among Hispanics and other minority groups, the fact remains that just 40% of Hispanic households have broadband connections at home, compared with 63% of all American households, this according to the recent Pew Home Broadband Adoption Report.

Additionally, any action that might cause the price of broadband access to rise could be devastating when you consider that more than 23% of Hispanics and about a quarter of African Americans live below the poverty line, according to the U.S. Census Bureau, compared with a mere 8.6% of White Americans. To be sure, the current economic climate has affected everyone, but for Hispanics, African Americans and other minority groups, and indeed for all low-wages earning Americans, sensitivity to broadband access fees must be central to the discussion.

We appreciate the energy the FCC has directed toward universal broadband access, but we urge you in the strongest terms to steer a course away from Neutrality Regulation as you proceed toward your goal.

Sincerely,

Gus K. West Board Chair The Hispanic Institute



HTTP Members

HTTP is comprised of 20 of the nation's leading and most respected Hispanic nonprofit organizations. Member organizations work with Hispanic communities throughout the U.S. to facilitate access to health care, quality education, economic opportunity, and technology tools and resources.

HTTP members share the belief that equitable access to technology and telecommunications is a critical factor in the social, political, and economic advancement of Hispanics and other underserved communities.

Alianza Dominicana

ASPIRA

Association for the Advancement of Mexican Americans

Cuban American National Council

Dialogue on Diversity

Hispanic Federation

Hispanic Information and Telecommunications Network

Latinos in Information Sciences and Technology

Interamerican College of Physicians and Surgeons

Labor Council for Latin American Advancement

League of United Latin American Citizens

MANA- A National Latina Organization

National Puerto Rican Coalition

National Association of Hispanic Publications

National Conference of Puerto Rican Women

National Hispanic Council on Aging

National Hispanic Medical Association

The Hispanic Institute

U.S. Mexico Chamber of Commerce

U.S. Hispanic Chamber of Commerce

Hispanic Institute

Calling Card Verification Test Plan

Provided by: Network Analytics Corporation





Objective

The purpose of this testing is to determine if calls to certain destinations using commercially available prepaid calling cards are providing the amount of minutes specified by the card providers.

Methodology

Call generators will be used to place the calls via the calling card and complete the call to the destination call generators. Every attempt will be made to use all the available time in a single call. If this is not successful, most commonly due to quality of the line and drops, additional calls will be made to the same destination until all the remaining balance in the cards is used. Each call is recorded by the units in order to interpret the amount of minutes announced by the calling card platform.

Units

The testing will be performed using Call Generators (CallWave) in the US (Washington, DC and New York lines) and terminating to Call Generators (CallWave) with Mexico and Guatemala numbers.

Cards

The following calling cards will be used:

Florida (\$5) – Telmex Compañero, STI Florida, Touch-Tel Hondureña, Touch-Tel Guatemalteca, Touch-Tel Salvadoreña, Dollar Phone Coffee Time, Dollar Phone Rey, MPTA Florida Idol, MPTA Nine, PCI Pilot, PCI Prima and TST Si Pues.

New York (\$2) – Diamond Bingo, Diamond Arenque, SDI I Love NY, Lycatel Success, Lycatel Call Me, STI World, RTG Martini, RTG Cocktail and IDT Play Ball.

Washington, DC (\$2) – IDT Boss Toll Free (\$5) – GEO Florida

Two cards of each are provided in order to attempt to test to each destination with each card.

Test Deployment

The following are the numbers for the lines used:

Washington Originated calls: (202) 6099875 and (202) 2441066

New York Originated calls: (917) 7798197

Mexico Termination: +525585256265 Guatemala Termination: +50222630419



Test Scope

The testing will provide the following data for each call:

Seq Number	Disconnect Reason
Date	Call Duration Recording (Sec)
Time	Call Duration Trace
Card Vendor	Call Duration Destination carrier CDR (Sec)
Card Name	Call Duration Minutes
Card Denomination	PAMS Score LQ
Card Code	PAMS Score LE
Originating Number Area Code (City)	Per call Extra Charge (Using Next Call's announced balance)
Originating Number	Next Call Announced Balance
Access Number Dialed	Card indicated connection fee
Destination Country	Card indicated Rounding Increments
Destination Number	Card indicated maintenance fee
Destination Cell or Landline	Toll-Free use surcharge
From Number shown at destination	Calculated p/min charge based on 1st call announcements
Announced Balance \$	CCR
Announced Balance (minutes)	AVE PDD
Rate Per Minute	AVE Extra Charge
Minutes Not Provided (If call used all balance)	AVE PAMS LQ
Recording file name	AVE PAMS LE
End of Dial Time	Total Minutes provided
Call Progress detection time	Completed Calls
Post Dial Delay	Actual p/minute rate experienced
Call Disposition	Total Minutes announced
Call Answer Time	Percentage provided vs announced
Call End Time	Minutes Not Provided (If call used all balance)
Warning Provided	Percentage provided vs announced (last call)

This information is provided from:

- The originating carrier's Call Detail Record
- Terminating Carrier's Call Detail Record
- Call Generator (CallWave) Trace files
- Listening to the Recordings created for each call
- Terms written on each card

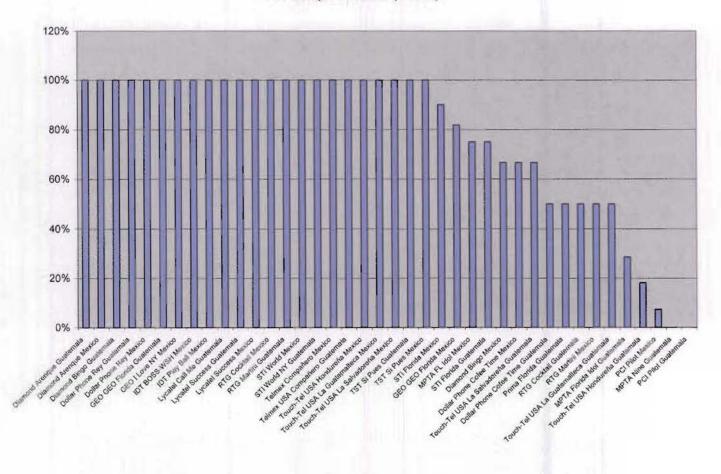


Results

- Test calls were placed between November 12 and December 08, 2007.
- From a total of 45 cards tested, 7 encountered completion rate of 0% and could never reach the intended destination while another 8 encountered 50% or less of CCR.
- Only 15 cards achieved the goal of utilizing the entire time balance provided in a single call. Out of those, only 4 (27%) provided the entire balance announced to the customer and 6 others (40%) provided 50% or less of the time announced.

The following chart provides information about the Call Completion Rate provided by each of the cards, sorted by highest (better) to lowest (worst)

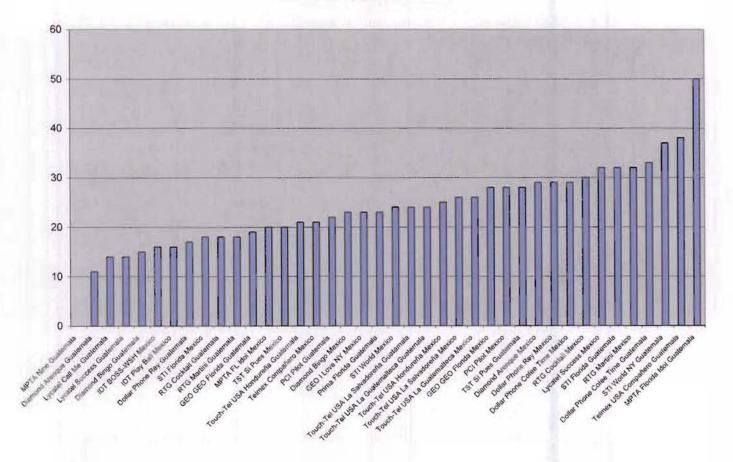
Call Completion Rate (CCR%)





The following chart provides information about the Average Post Dial Delay provided by each of the cards, sorted by lowest (better) to highest (worst)

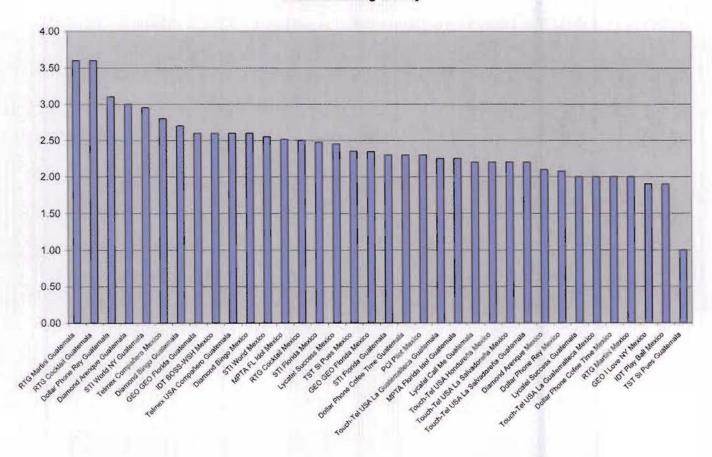
Post Dial Delay (PDD Seconds)





The following chart provides information about the Average Listening Quality provided by each of the cards, sorted by highest (better) to lowest (worst)

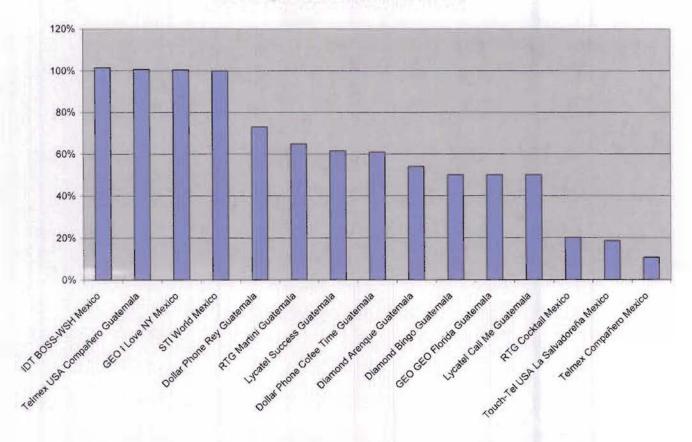
PAMS Listening Quality





The following chart provides information about the Percentage of minutes provided versus minutes announced by each of the cards when all minutes were used in a single call, sorted by highest (better) to lowest (worst)

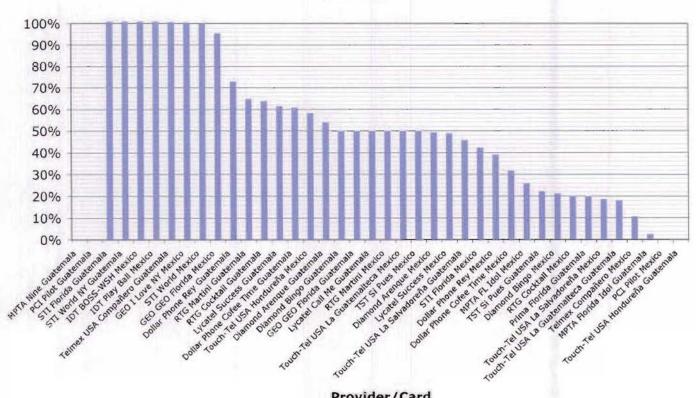
Percentage Provided vs Announced (1 call)





The following chart provides information about the Percentage of minutes provided versus minutes announced by each of the cards when considering only the last call placed in which the last remaining announced balance was used, sorted by highest (better) to lowest (worst)

Percentage Provided vs Announced (last call)



Provider/Card

